

**DEPARTMENT OF ADMINISTRATION
PROCUREMENT DIVISION
RECOMMENDATION OF AWARD**

TO: Teresa Deaton-Reese, CPPO; CPPB

FROM: Katherine L. Harrington, CPPB

DATE: January 16, 2009

EST. AMOUNT: \$200,000.00

REQ: 510-9-8416

OVER 10% OF ESTIMATE

YES: ☐ NO: ☒

AGENCY: Department of Workforce Development

DESCRIPTION: Special Procurement/Negotiated Bid for Furniture

TOTAL NUMBER OF SOLICITED VENDORS: 338

TOTAL NUMBER OF INDIANA FIRMS SOLICITED: 217

TOTAL NUMBER OF MINORITY & WOMAN VENDORS SOLICITED: MBE 16 WBE 16

SMALL BUSINESS SET-A-SIDE: N/A

RECYCLED PRODUCTS SOLICITED: N/A

SECRETARY OF STATE: Yes

SAVING AMOUNT OF SPLIT: N/A

MINORITY BUSINESS PARTICIPATION: None If yes, percentage(s) award amount: \$

WOMAN-OWNED BUSINESS PARTICIPATION: None If yes, percentage(s) award amount: \$

Round 1

QUOTE/BIDS WERE RECEIVED FROM THE FOLLOWING VENDORS:

<u>VENDOR</u>	<u>AMOUNT</u>	<u>INDIANA FIRM</u>	<u>PREFERENCE CLAIMED</u>	<u>US Manufacture</u>	<u>EVAL. AMOUNT</u>	<u># OF NO BIDS</u>
1. Business Interior Group	\$37,786.86	Yes	IBP 5%	Yes	\$35,987.52	2 of 4
2. Infusion	\$198,316.36	Yes	None	No	\$198,316.36	0 of 4
3. Office Works	\$202,602.46	Yes	IBP 5%	Yes	\$192,472.34	0 of 4
4. D2p LLC	\$213,280.46	Yes	ISBP 15%	Yes	\$181,288.39	0 of 4
5. Commercial Office Environments	\$224,490.68	Yes	ISBP 15%	Yes	\$190,817.08	0 of 4
6. Business Furniture LLC	\$227,227.46	Yes	IBP 5%/Recyc 15%	Yes	\$193,143.34	0 of 4

Specifications:

Specifications are satisfactory and allowed for open competition.

Delays:

There were no delays in the Procurement process.

Preferences:

All bidders except Infusion claimed the US Manufactured Preference and this does affect the award. Business Interior Group, Business Furniture LLC, and Office Works claimed the Indiana Business Preference but this does not affect the award. D2P LLC and Commercial Office Environments claimed the Indiana Small Business Preference but this does not affect the award. Business Furniture LLC claimed the Recycled Preference however, IC 5-22-7 states that a bidder may claim only one preference to which a bidder is entitled. A phone call was made to Melanie Gallagher requesting which preference she wished to claim and was followed up in writing. She stated she wanted to claim the Recycled Preference due to the higher evaluation factor. This did not affect the award.

Recommendation Narrative:

The solicitation was done as a negotiated bid and was separated into four sections:

- ❖ Section 1 – Chairs
- ❖ Section 2 – Miscellaneous Items
- ❖ Section 3 – Tables
- ❖ Section 4 – Systems Furniture

The solicitation was designed this way to allow for better open competition and to consider split awards. However, a bidder was required to bid on all items within the category to be considered for an award for that category. To split awards within a category is not in the best interest of the State due to the aesthetic and consistency needed within a category.

Round 1

Business Interior Group is the overall lowest priced bidder in Round One and claimed the US Manufactured Preference and the Indiana Business Preference. These preferences did not affect the evaluation. They meet all required and requested specifications for Section 3 and are moved forward to Round Two for that section. They did not meet the required specification for the M4-Storage Cabinet minimum width of 42". Business Interior Group bid a cabinet with 36" width. This company did not bid on Sections One and Four. This company stated they require a purchase order by January 14, 2009.

Infusion is the second overall lowest priced bidder in Round One and did not claim any preferences. They meet all required and requested specifications for Section 1 and are moved forward to Round Two for that section. In Section 2 the company did not meet the required specification for the M3-Storage Cabinet minimum height of 40". Infusion bid a cabinet with 39" height. They did not meet the required specification for the M4-Storage Cabinet minimum width of 42". Infusion bid a cabinet with 36" width. In Section 3 the T2-Table size required 54"w x 54"l and Infusion bid 59.5"w x 59.5"l which exceeds the maximum size. In Section 4 this company did not meet the panel requirements and did not bid the storage towers. As stated above, bidders had to bid all line items per section to be awarded a section. This company requires a purchase order by January 20, 2009.

Office Works is the third overall lowest priced bidder in Round One and claimed the US Manufactured Preference and the Indiana Business Preference. They meet all required and requested specifications for Section 3 and are moved forward to Round Two for that section. In Section 1 the company did not meet the required specification for C-Customer Chair the minimum height of 21.75" and Office Works is bidding a height of 21". They did not meet the required specification for the M4-Storage Cabinet minimum width of 42". Office Works bid a cabinet with 36" width. In Section 4 this company did not meet the required panel heights. This company requires a purchase order by January 13, 2009.

D2P LLC is the fourth overall lowest priced bidder in Round One and claimed the US Manufactured Preference and the Indiana Small Business Preference. They meet all required and requested specifications for Section 1 and are moved forward to Round Two for that section. In Section 2 the company did not meet the required specification for M1-M4 which stated "Ganging hardware must be included to increase stability and maintain alignment. This company's product does not gang together. D2P LLC did not meet the required specifications in Section 3 for items T2, T5 and T6. T2 required 54"w x 54"l table and company is bidding 48"w x 48"l; T5 required 26-28"w x 26-28"d x 16-18"h and company bid 24"w x 24"d x 18"h; and T6 required 26-28"w x 13-14"d x 16-17"h and the company bid 18"w x 18"d x 18"h. D2P LLC cannot meet the required delivery date of February 27, 2009 for the systems furniture. This company requires a purchase order by January 14, 2009 on most items and January 19, 2009 for all others.

Commercial Office Environments is the fifth overall lowest priced bidder in Round One and claimed the US Manufactured Preference and the Indiana Small Business Preference. They meet all required and requested specifications for Section 2 and are moved forward to Round Two for that section. In Section 1 the company did not meet the required specification for G1 - Armless Lounge Chair and G2-Lounge Chair with Arms. These chairs were required to be fully upholstered and the company bid chairs that were open side lounge chairs. In Section 4 this company did not meet the required panel heights. Commercial Office Environments did not meet the required specification of the X base for item T3; they bid a T base table. They also did not meet the required dimensions on items T5 and T6. Section 4 required specific panel heights and Commercial Office Environments did not meet those heights on all panels. A purchase order is required by January 19, 2009.

Business Furniture LLC is the sixth overall lowest priced bidder in Round One and claimed the US Manufactured Preference, the Indiana Business Preference, and the Recycled Preference. Per IC 5-22-15-7 a bidder may claim only one pricing preference to which they are entitled. The company chose to claim the Recycled Preference due to the higher evaluation factor applied. They meet all required and requested specifications for Section 4 and are moved forward to Round Two for that section. In Section 1 the company did not meet the required specification for D-Highback Conference Room Chair which requires adjustable arms. Business Furniture bid a chair with stationary arms. For item E-Lobby Chair with sled base the company bid a four-leg chair. In Section 2 the agency requires a height of 40" for M3-Storage Cabinet and the company is bidding 42". On item M4-Storage Cabinet the width requirement is 42" and the bidder is providing 36". Requirements are not met in Section 3 for item T4 as the table requires an X base and the company bid a table with a circular base. This company requires a purchase order by noon on January 20, 2009.

Round 2 -- Section One**QUOTE/BIDS WERE RECEIVED FROM THE FOLLOWING VENDORS:**

<u>VENDOR</u>	<u>ROUND 1 AMOUNT</u>	<u>EVAL. AMOUNT</u>	<u>ROUND 2 AMOUNT</u>	<u>EVAL. AMOUNT</u>
1. Infusion	\$44,219.19	\$44,219.19	\$44,219.19	\$44,219.19
2 D2P LLC	\$59,292.66	\$50,398.76	\$58,841.75	\$50,015.49

Recommendation Narrative:

Only D2P LLC and Infusion met all required and requested specifications for Section 1.

Infusion's prices remained unchanged from Round One. Infusion is bidding Foreign Manufactured Products and claimed no preferences. Infusion is the lowest priced overall bidder for Section 1, which must be awarded in its entirety. I am requesting an exception to the US Manufactured Preference as allowed by IC 5-22-15-21(2) because this savings to the State is \$5,137.68 or 11% when using the evaluation amount or \$13,963.94 or 24% when using the actual prices of Round 2. Infusion is recommended for award of all line items in Section 1 as the lowest responsive and responsible bidder.

D2P LLC lowered their prices on almost all line items by approximately 1%. D2P LLC claimed the US Manufactured and the Indiana Small Business Preference however this does not affect the award. D2P LLC is not the lowest priced bidder for Section 1 and is not recommended for award.

Round 2 -- Section Two**QUOTE/BIDS WERE RECEIVED FROM THE FOLLOWING VENDORS:**

<u>VENDOR</u>	<u>ROUND 1 AMOUNT</u>	<u>EVAL. AMOUNT</u>	<u>ROUND 2 AMOUNT</u>	<u>EVAL. AMOUNT</u>
1. Commercial Office Environments	\$16,087.42	\$13,674.31	\$15,198.54	\$12,918.76

Recommendation Narrative:

Commercial Office Environments was the only bidder to meet all required and requested specifications for Section 2.

Commercial Office Environments lowered their prices on three line items by approximately 6%. Commercial Office Environments claimed the US Manufactured and the Indiana Small Business Preference however this does not affect the award. Commercial Office Environments is recommended for award as the lowest responsive and responsible bidder for Section 2.

Round 2 -- Section Three**QUOTE/BIDS WERE RECEIVED FROM THE FOLLOWING VENDORS:**

<u>VENDOR</u>	<u>ROUND 1 AMOUNT</u>	<u>EVAL. AMOUNT</u>	<u>ROUND 2 AMOUNT</u>	<u>EVAL. AMOUNT</u>
1. Business Interior Group	\$17,054.88	\$16,202.14	\$15,318.00	\$14,552.10
2. Office Works	\$24,150.78	\$22,943.24	\$24,150.78	\$22,943.24

Recommendation Narrative:

Only Business Interior Group and Office Works met all required and requested specifications for Section 3.

Business Interior Group lowered their prices on all line items by approximately 10%. Business Interior Group claimed the US Manufactured and the Indiana Business Preference however this does not affect the award. Business Interior Group is recommended for award as the lowest responsive and responsible bidder for Section 2.

Office Works chose not to lower any prices in Round Two. Office Works claimed the US Manufactured and the Indiana Business Preference however this does not affect the award. Office Works is not the lowest priced bidder for Section 3 and is not recommended for award.

Round 2 -- Section Four**QUOTE/BIDS WERE RECEIVED FROM THE FOLLOWING VENDORS:**

<u>VENDOR</u>	<u>ROUND 1 AMOUNT</u>	<u>EVAL. AMOUNT</u>	<u>ROUND 2 AMOUNT</u>	<u>EVAL. AMOUNT</u>
1. Business Furniture LLC	\$131,702.02	\$111,946.72	\$131,702.02	\$111,946.72

Recommendation Narrative:

Business Furniture LLC was the only bidder to meet all required and requested specifications for Section 4.

Business Furniture LLC prices remain unchanged for Round Two. Business Furniture LLC claimed the US Manufactured and the Recycled Preference however this does not affect the award. Business Furniture LLC is recommended for award as the lowest responsive and responsible bidder for Section 4.

Fair & Reasonable Pricing:

Pricing is fair and reasonable based on open competition and by prices submitted.

Split Award:

A split award is recommended among the various sections as being in the best interest of the State.

Actual savings to the State of Indiana through negotiated bidding is: \$2,625.76 or approximately one percent.

Award Recommendation:

VENDOR	ITEMS	AMOUNT
Infusion	Section 1—All Items	\$44,219.19
Commercial Office Environments	Section 2—All Items	\$15,198.54
Business Interior Group	Section 3—All Items	\$15,318.00
Business Furniture LLC	Section 4—All Items	\$131,702.02
	Total Award	\$206,437.75

Katherine A. Harrington, CPPB
Procuring Agent/Procurement Division/Date
01-18-09

Debra Deaton-Reese, CPPB
Approval/Date